stressed the importance of this step, saying that Italian fear of food and coal shortage had been used by German propaganda as one means of helping to create the recent debacle of Caporetto. It was pointed out that under this agreement we had decided that the carriage of the food for the Allies, as well as the purchase, should be for joint account. Sir Joseph Maclay said that if we must provide a further 2,000,000 tons of shipping space in 1918 to carry cereals to France and Italy, we must cut our own requirements down by this additional amount. Already he was estimating a cut of 6,000,000 tons in our 1918 imports, and this fresh demand would involve a total cut of over 8,000,000 tons of imports. We appointed a Committee to go into the question of the imports to be sacrificed in this connection.

The task was not made any more welcome *French tatt* by the information laid before the War *to play their* Gabinet on I4th Novem ber, that the French Government had refrained from requisitioning all their available tonnage, and were allowing part of it to be used still for private profit. It also came to our knowledge on the same day that the French had raised an additional 800,000 tons of coal from their collieries in the course of the year, but had omitted to inform us of the fact.

Meantime we were being urged to divert to Italy as many as possible of the cargoes of oats now on their way to us from America,

to save
Cavalry i^ Italian cavalry from
being im-
visit^lialy mobilised. The cavalry
obsession had
crossed the Alps. No General
could
contemplate the possibility of a war which
did not
furnish at least one picture of a cavalry
charge.
The stocks of oats for our own army
transports in